GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4179
ANSWERED ON:18.08.2000
NET ASSET VALUE OF UTI
DR. KIRIT SOMAIYA

Will the Minister of FINANCE be pleased to state:

(a) whether the Net Asset Value of Unit Trust of India Unit 64 have gone down during the last few years;

(b) if so, the NAV thereof, as on 30th June 2000 from 1996;

(c) the reasons for decline in the NAV; and

(d) the steps taken by the Government to raise the NAV of Unit 64 of UTI?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE SHRI BALASAHEB VIKHE PATIL

(a) to (d): The Unit Scheme 1964 (US-64) of the Unit Trust of India (UTI) is not an NAV driven scheme. Sale and repurchase prices of US-64 are announced generally once at the beginning of each month. The sale and repurchase price as on August 2000, is Rs. 13.65 and Rs. 13.35 respectively. UTI has nowstarted publishing equity portfolio details of US-64 on a quarterly basis. The Deepak Parekh Committee, appointed by UTI inOctober 1998 to undertake a comprehensive review of the functioning of US-64, recommended inter alia, that US-64 should become NAV driven within three years. UTI is working in this direction. Further, the portfolio of the scheme has been restructured to increase the weights of growth equity stocks.